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From: Field LLP

7/9/2020 3:46:23 PM (Page 2 of 5)

COURT FILE NUMBERS

BK NO: 25-2651361

BK NO: 25-2651362

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PROCEEDINGS

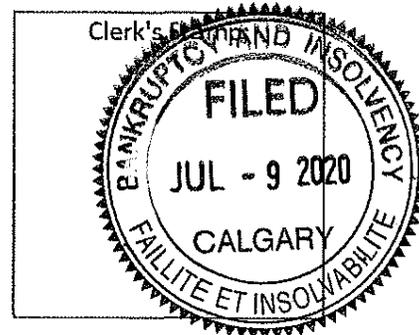
IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A  
PROPOSAL OF SWIMCO AQUATIC SUPPLIES LTD. AND SWIMCO  
PARTNERSHIP

DOCUMENT

**ORDER**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

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File No. 70179-1

**DATE ON WHICH ORDER WAS PRONOUNCED: July 9, 2020****NAME OF JUSTICE WHO MADE THIS ORDER: Madam Justice Barbara E.C. Romaine****LOCATION OF HEARING: Calgary, Alberta****ORDER**

UPON THE APPLICATION OF Swimco Aquatic Supplies Ltd. ("**SAS**") and Swimco Partnership ("**SP**", together with SAS, the "**Swimco Group**"), AND UPON HAVING read the Application filed by SAS and SP and the Affidavit of Lori Bacon, sworn on June 29, 2020 (the "**Bacon Affidavit**"), AND UPON READING the First Report of Deloitte Restructuring Inc. (the "**NOI Trustee**"), dated June 30, 2020; AND UPON HEARING counsel for SAS and SP and the NOI Trustee and all other interested parties present; IT IS HEREBY ORDERED THAT:

1. The time for service of the Application and all materials in support is hereby abridged to the date of actual service and service is hereby deemed good and sufficient.
2. The 30-day period of time within which SAS and SP is required to file a proposal to their creditors with the Official Receiver, under Section 50.4 of the *Bankruptcy and Insolvency Act*,

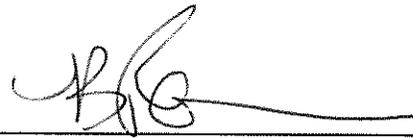
R.S.C. 1985 c. B-3 (the "**BIA**"), shall be and is hereby extended by forty-five (45) days, from July 11, 2020, to and including August 24, 2020.

3. All Swimco Group's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**") shall be and is hereby subject to a first charge (the "**Administration Charge**") up to a maximum total aggregate amount of One Hundred Fifty Thousand (\$150,000.00) Dollars in favour of:
  - (a) Deloitte Restructuring Inc., the NOI Trustee under the Notices of Intention filed by the Swimco Group on June 11, 2020, (the "**NOIs**"), in order to secure payment to the NOI Trustee of all of the NOI Trustee's reasonable professional fees and disbursements for professional services rendered by the NOI Trustee in the performance of its duties both before and after the date of Swimco Group filing its NOIs;
  - (b) the law firm of Cassels Brock and Blackwell LLP ("**Cassels Brock**"), legal counsel to the NOI Trustee, in order to secure payment of all of Cassel Brock's reasonable professional fees and disbursements for professional services rendered by Cassels Brock to the NOI Trustee for the purpose of the NOI proceedings both before and after the date of Swimco Group filing its NOIs; and
  - (c) the law firm of Field LLP ("**Field**"), legal counsel to Swimco Group, in order to secure Swimco Group's payment of all of Field's reasonable professional fees and disbursements for professional services rendered by Field for the purpose of the NOI proceedings both before and after the date of Swimco Group filing its NOIs.
4. The Administration Charge (as constituted and defined herein) shall constitute a charge on the Property and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.
5. Except as otherwise expressly provided for herein, or as may be approved by this Court, Swimco Group shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the Administration Charge, unless Swimco Group also obtains the prior written consent of the beneficiaries of the Administration Charge, or further order of this Court.

6. The filing, registration or perfection of the Administration Charge shall not be required, and the Administration Charge shall be enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.
7. The Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the NOI Trustee and Field thereunder shall not otherwise be limited or impaired in any way by:
  - (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
  - (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
  - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
  - (d) the provisions of any federal or provincial statutes; or
  - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:
    - (i) neither the creation of the Administration Charge nor the execution, delivery, perfection, registration or performance of any documents in respect thereof shall create or be deemed to constitute a new breach by Swimco Group of any Agreement to which it is a party;
    - (ii) neither the NOI Trustee, Cassels Brock or Field shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Administration Charge; and

(iii) the payments made by Swimco Group pursuant to this order and the granting of the Administration Charge do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

8. The within NOI proceedings of SAS and SP are hereby administratively consolidated for procedural purposes only. For clarity, the estates of SAS and SP are to remain substantively separate and shall not be merged by virtue of this Order. The Clerk of the Court is hereby directed to open a single, consolidated file for both proceedings.
9. Service of this Order shall be deemed to have been achieved by posting a copy of this Order on the website of the NOI Trustee and by delivering a copy of this Order to those parties listed on the Service List prepared by counsel for SAS and SP.



J.C.Q.B.A.